

HARVEST REPORT ETHIOPIA 2021



Intro

Think about the Summer of 2021. And do so with a pinch of optimism, much needed at the moment. Vaccination programmes in Europe will have been rolling out for months. Restrictions will start being lifted. Maybe restaurants, bars and cafés will be allowed to open for more than just take-away. It will be warm. You'll be able to see friends you last saw in early 2020. And the new Ethiopian coffees you order now will be available at the warehouse for roasting!

Doesn't get much better than that? Wait, because it does.

Juicier, cleaner, brighter

As we entered the year, fresh samples from our partners in Ethiopia started to arrive. At the time, rumour had it that quality would be up from the previous crop due to favourable weather conditions. The cupping table proved it right and we are happy to say that the new Ethiopian harvest is tasting amazing! Take one of our highlights of 2020, a **Grade 1 Natural from the Aricha Cooperative** in the Yirgacheffe District and sourced by Boledu Industrial PLC. Last year it was already a fruit bomb scoring 86.25 points on the SCA scale. In 2021, you'll find it's now an 87.25 with a complex combination of different florals and citrus fruits.

Our in-house Q Grader Veronika Kečkéšová stands by this: “The coffees are juicier this year, cleaner, with more transparent flavours, brighter and crispier,” she says. “We have some notoriously good coffees! Aricha grade 1 and **grade 3**, which are very popular among clients, did not disappoint us this year. Grade 1 is really fruity with notes of red ripe fruits, citrus, plums, green pepper and hibiscus and grade 3 is a bit more down to earth but still fruity and sweet. There are some sparkling ones, experimental fermentations (we have one unicorn of 88+) and a solid selection of washed and natural lots. Nice stuff.”



Mebrahtu Aynalem, one of the founders of Boledu, explains this season suffered a major shift compared to the previous one. “Last year we experienced an off year and the harvest was delayed due to late rains and flowerings. Picking started as late as the second half of November and even in the middle of December in the South,” he says, adding that this season is the complete opposite. “The rains in the middle of January led to an early flowering and fast-forwarded the harvest to as early as August in some areas!” Overall, cherry deliveries started 6 to 8 weeks earlier than in the last period.

Though it might seem as if the harvest is super early, it is actually following a more “normal” timeframe for coffee in Ethiopia which some argue explains the increase in cup quality. “We had good weather conditions in the last 10 months and the result is a very good harvest,”



says Ekihune Woldegiorgis Hirbaye from Yirgacheffe Coffee Farmers Cooperative Union (YCFCU). The weather wasn’t as merciful in the Western area of Jimma, where Kata Muduga Multi-purpose Farmers Cooperative Union is based. Excessive rains led to a reduction in the volume the cooperatives were able to buy and the upside of that is less pressure on the raising beds, resulting in better dried coffees.

You can check the evolution in quality in Jimma by cupping the **new Nano Challa**, another roaster favourite. This fully washed lot is also scoring above 87 points and showcases the classic country floral profile with notes of jasmine, citrus peel and Earl Grey tea. The **sun-dried lot from Birbirsa**, another cooperative represented by Kata Muduga, is a show-stopper at 88.25 points and a combination of ripe tropical fruit, berries and booze. Volumes are limited though and Asnake urges roasters to contract by February at the latest or they might sell out.

The quality we are seeing is also a testament to the hard work of the producers, cooperatives and exporters on the ground. Boledu, a young business yet with a great deal of experience in coffee, was internationally recognized in 2020 as one of the **30 Cup of Excellence winners** and sold an experimental lot at the auction for 21.40 USD/lb. Mebrahtu has prepared a similar lot this season - a **process he calls “winey” or “tej”** in a reference to the way of making the famous Ethiopian honey wine - which is scoring 88 points and screaming tropical fruits, cacao nibs, violet and rich like a banana dessert!

New minimum prices: the impact so far

Volumes coming out of Ethiopia are also estimated to be higher this year overall (excluding some Western areas), though it is hard to get an accurate figure as of yet. “The government had a plan in the beginning of the season to export 300 thousand tons of coffee, more than the 270 thousand tons from last year, but it is still hard to tell,” says Mebrahtu. He estimates the crop is at least 12% bigger this year, a bumper year for Ethiopia, but the new minimum prices established by the **Ethiopian Commodity Exchange** (ECX) in 2020 are delaying official numbers.

In the beginning of 2020, the ECX implemented a new regulation which sets a minimum price for each grade of coffee produced in the country. Though this didn't have an impact on the previous harvest, the effects are being felt now. The measure was introduced to stop exporters selling coffee at prices considered too low by the Exchange. The claim is that various actors in the country will sell coffees at a loss in order to acquire hard currency (US dollars) and import goods into the country, generating revenue through the imports and, in the ECX understanding, damaging the coffee industry.

“All the exporters are in communication with the ECX and there is an expectation that the minimum price might decrease if sales are low. Because of this, a lot of people are waiting to contract. Normally there are already a lot of commercial grade coffees in the ECX in January but that is not what is happening this year,” Mebrahtu explains. Minimum prices are updated weekly. Locals also report an increase in sales in the domestic market, thus bypassing the ECX. Ethiopians have a high consumption of coffee and prices paid locally for under grades can be even higher than the ones paid by the international market.



Tigray war and COVID-19

On November 4th 2020, an armed conflict erupted in Ethiopia. It took place in the Tigray region, Northern Ethiopia. The **Tigray war** was precipitated, among other reasons, by extending the date of the national elections from August 2020 to what was then an unknown date in 2021. The Tigray's People Liberation Front (TPLF) held its own elections in the region in September, deemed illegal by the central administration. The Ethiopian National Defence Force stormed Tigray and took over the capital in the same month, declaring victory. "Although heavy fighting ceased, tensions remain around the city of Mekelle. The Ethiopian government is currently searching for the TPLF leaders who are on the run," informs Mebrahtu.

At the time, all our contacts reassured us that the conflict was not spilling to the Southern coffee growing regions. "All roads leading to Tigray are closed and all communications are closed. That is why people are migrating into Sudan and not to other parts of Ethiopia," said Mebrahtu. Asnake and Erkihune also commented that the conflict was not affecting the Southern regions and that harvest continued without any disruption.

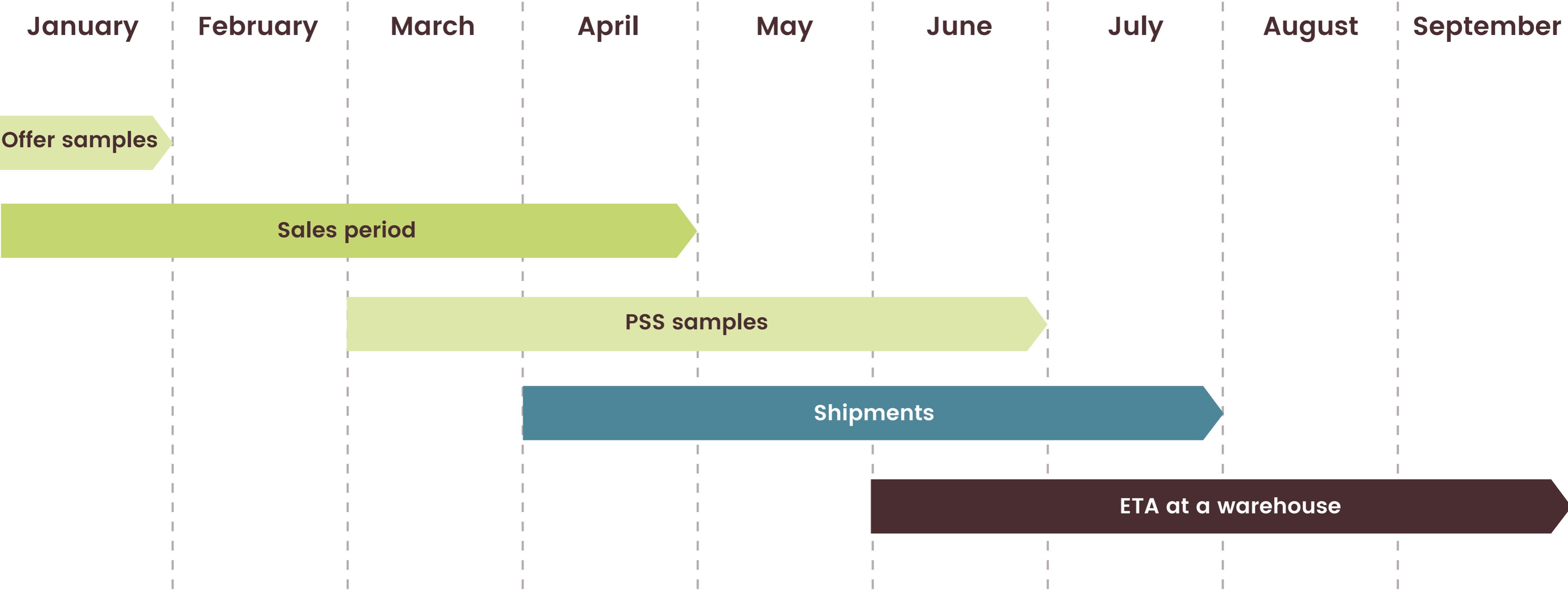
As of mid-January the roads remained blocked but phone lines had been reestablished, allowing Mebrahtu to communicate to family members up North. "COVID is not the big issue here this year, with people circulating normally in the rural areas. We hear that thousands

of people have died in the Tigray war, so the civil unrest was our main concern as a country," Mebrahtu explains. There is also tension and a fear of new conflicts surrounding the upcoming elections. The National Electoral Board has now announced that the elections will be held on the 5th of June 2021.

The main impact of COVID in the Ethiopian coffee sector has been the cancellation of contracts in 2020 and more requests for lower grades, which can be offered at lower price points, clashing with the new minimum price regulations. Our partners didn't report a shortage of labour due to the pandemic as seen in **other parts** but due to heavy rains in early November. "They obstructed picking and now there is a shortage of seasonal workers in Guji. Several suppliers in Guji are inviting workers from Sidamo to cover the shortage of hands," says Mebrahtu.

To cater for roasters affected by the pandemic, some of our partners are offering **grade 4 lots** on the platform this year. Grade 4 can be offered just above half the price of a grade 1 and still allows roaster to secure Ethiopian coffee this year with lower investment. You'll also find a **Yirgacheffe UG** (Under Grade) on the platform for the first time this year, aimed at roasters who don't want to give up the origin but need a competitive price. The UG still showcases the profile of the region with a fruity cup profile. However, the exporters cannot provide the full-traceability of such lots.

Important dates for shared shipments



For a more detailed view check algrano.com/sourcingplanner

Partners at origin

As Ethiopian smallholders sell their cherries to washing stations, Algrano's approach in the country is to partner with Cooperative Unions (which represent primary coops and their farmer members) and quality focused exporters with vertical integration. This guarantees traceable coffees up to the kebele level.

Our partners operate in the South and South-West, offering coffees from Gedeo, Sidama, Jimma, Guji and Borena zones. Every year we discuss with each producer what they would like to offer based on roasters' demands and profiles which performed well in the previous years. There are always some new exciting lots too!

For 2021, our partners put together an incredible selection of coffees: commercial grades with competitive prices, washed and natural specialty lots and experimental micro-lots, including the same process used to feature among the best lots on 2020's Cup of Excellence!



Boledu Industrial PLC

Founders and managers: Abyote Ageze and Mebrahtu Aynalem

Location: Addis Ababa (office)

Producing zones: Aricha, Konga and Halo Beriti kebeles (all in Yirgacheffe Woreda, Gedeo Zone); Dimtu kebele in Hambela woreda and Yabito Tome kebele in Uruga woreda (both Guji Zone); and Bombie kebele in Chire woreda (Sidama Zone)

Certifications: Organic

Harvest: October to January

Shipments: January onwards

A young and innovative business, Boledu is headed by friends Abyote Ageze, 36 years old, and Mebrahtu Aynalem, 34. The company was among the winners of Ethiopia's first Cup of Excellence in 2020 with their exclusive "winey" fermentation process. Abyote started managing purchases at his family's washing station right after high school. Two years later he was in charge of specialty coffee preparations in the Yirgacheffe and Guji areas, a job he undertook for more than 10 years. Mebrahtu grew up around bags of coffee in the shop of his parents, who worked as wholesalers at a local market.





He worked on his family business Weldeyesus Bunes PLC in sales and quality management and from there he joined a company called Tadesse Desta as a marketing manager, a total of 12 years experience in the sector. “When I joined Tadesse Desta it occupied the 83rd position in the annual exporters performance ranking. When I left we were in the 11th place,” he says, proudly. Together they founded Boledu, which means “Source”, in 2018. “We operate washing stations in many parts of Guji and Gedeo zones, exporting both natural and washed high-end traceable qualities. We also have vertical integration agreements with many sites.” By vertical integration, Mebrahtu means the coffee is sourced directly from the washing stations and not purchased from the Ethiopian Commodity Exchange (ECX). “We prefinance the washing station owners and he agrees to supply us. If I was to get a good coffee at the ECX I wouldn’t necessarily be able to do it again in the future. There is no transparency. For consistency, I must have an agreement directly with the washing station. I also have an agronomist there to help prepare the coffees,” he explains.

[Browse coffees](#)

Kata Muduga Multi-Purpose Farmers Cooperative Union

General manager: Asnake Nigate

Location: Agaro town, Jimma Zone, Oromia Region

Producing zones: 20 cooperatives based in the Gera, Goma, Gumai, Setema and Sigimo woredas, all in the Jimma Zone

Certifications: Organic

Harvest: September to January

Shipments: January onwards

Created with government support in 2015 to improve the reputation of the Jimma zone, by then still associated with lower-grade coffees, Kata Muduga is an umbrella organization for 20 local cooperatives in the Jimma Zone. The Union provides marketing and administrative services to its members, all of which have ownership of the coffees. (the Union only sells and exports the coffees on the coop's behalf).





The coffees produced by members of Kata Muduga have grown in quality and reputation in the last 6 years. Two cooperatives linked to the Union, Nano Challa and Duromina, have achieved a high status among coffee professionals around the world and are vastly sought after. However, Asnake Nigate, the Union's general manager, is committed to bring renown to lesser known cooperatives by supporting them in the development of their internal processes.

“We support our members in acquiring Penagos' ecologic coffee wet mill machines so that coffee can be depulped in an eco-friendly way,” adds Asnake in accordance to the Union's sustainability efforts. Kata Muduga acts as a transparent service provider with a clear price breakdown. Of the final FOB price, 70% goes to the producer's pocket, 30% covers the cooperative's expenses (including 10% for social projects), 5% pay for transport and warehousing costs and 5% cover the operational costs of Kata Muduga.

[Browse coffees](#)

Yirgacheffe Coffee Farmers Cooperative Union (YCFCU)

General manager: Ekihune Woldegiorgis Hirbaye

Location: Addis Ababa (office)

Producing zones: 28 cooperatives based in 6 woredas of the Gedeo Zone: Gedeb, Kochore, Yirgacheffe, Wenago, Dilla Zuria and Bule

Certifications: Organic, Fairtrade, Rainforest Alliance

Harvest: October to February

Shipments: February onwards

YCFCU works exclusively with primary cooperatives in the Gedeo zone, birth-place of Ethiopia's most famous coffee grade: **Yirgacheffe**, prized by its remarkable cup profile which combines notes of jasmine and other florals, citrus fruits like lemon and bergamot and Earl Grey tea. With 62.000 hectares of gardens that are dedicated to coffee alone, the Gedeo zone produces more than 15.000 tons of Yirgacheffe grade each year. YCFCU was created in 2002 to market these coffees on behalf of the 28 primary cooperatives they represent, supporting over 300,000 families.





As a marketing body, YCFCU facilitates loans to coops to cover cherry collection costs and provides specialized agronomist advice. The union also invests in the community building a school in the town of Dila and bridges to link isolated areas. Much like Kata Muduga in Jimma, YCFCU sells coffee on behalf of its members and the biggest percentage of the FOB price is made of payments to farmers. If the coffees are sold for higher premiums, farmers will receive a second payment after the exporting months.

Coffees sourced through YCFCU will never be generic or regional blends rather fully-traceable lots up to the kebele level. The Union is optimistic for the 2021 cycle: “The good weather in the last 10 months has resulted in a very good harvest” informs Erkihune, the new general manager. After a turbulent 2020, the managerial structure of YCFCU suffered a big reshuffle with Erkihune taking over after Takele Mammo and 5 new members of staff being hired to manage customer’s expectations!

[Browse coffees](#)

Nardos Coffee

Managing director: Biniyam Aklilu

Location: Addis Ababa (office and dry mill)

Producing zones: 8 washing stations (2069 outgrowers) in Guji and Gedeo zones and 1 estate in the Guji Zone and also in the neighbouring zone of Borena

Certifications: Organic, UTZ, Rainforest Alliance

Harvest: September to February

Shipments: January onwards

Nardos Coffee Export is a third-generation family business that goes back to 1960 when the family began growing coffee in Guji. Today a respected exporter, Nardos has its own 152 hectare farm (Beka) in Guji but can also source coffees from all producing regions in Ethiopia. The company has developed a reputation for supplying high-quality coffees delivered on time and puts great emphasis in its logistical services and skilled professionals.





Nardos exports an average of 2.000 tons of both washed and natural coffees every year processed on their 7 wet coffee pulping industries, 5 natural coffee hullers and warehouse enterprise with capacity of 5-6 tons per hour in Addis Ababa. To care for the 2069 out-growers they work with, Nardos has developed a number of social responsibility projects focused mainly in access to education and gender equality. In 2021, the company built a library and began distributing feminine hygiene products for Kellensoo Eleshu Primary School in Hagere Mariam district so girls don't have to skip school during their periods.

At Algrano, Nardos focuses on offering coffees from the Sidamo Zone. They can also offer a wide range of coffees from Jimma, Illubador, Lekempti, Tepi and special process micro-lots from Guji.

[Browse coffees](#)

Discover the coffees from Ethiopia

Browse through the lots on offer and get your samples

Go to platform

